

# **Task Force on the Economic Future of Western Maryland**

**January 7, 2021; 10 AM**

## **Meeting Minutes**

### **Task Force Members in Attendance:**

- Senator George Edwards, *Co-Chair*
- Delegate Jason Buckel, *Co-Chair*
- Jody Sprinkle, *Director, Government Relations, TEDCO*
- Cort Meinelschmidt, *Washington County Commissioner, MACO*
- Shelley McIntire, *Hagerstown City Council Member, MML*
- Al Delia, *Vice President for Economic and Regional Engagement, Frostburg State University*
- Stu Czapski, *Economic Development Specialist, Cumberland Economic Development Corporation, Allegany County Chamber of Commerce*
- Nicole Christian, *President and CEO, Garrett County Chamber of Commerce*
- Paul Frey, *President and CEO, Washington County Chamber of Commerce*
- Kelly Schulz, *Secretary, Maryland Department of Commerce*
- Andrew Sargent, *Sr. Business Development Representative, Western MD, Maryland Department of Commerce*

### **Task Force Staff in Attendance:**

- Michael Siers, *Economist, Maryland Department of Commerce*

#### **I. Call to Order**

##### **a. Remarks by the Co-Chairs**

Senator Edwards welcomed attendees and said he was glad to see more attendees than for past meetings. Senator Edwards stressed that the task force recommendations should lead to positive outcomes for a region of the state that has been hit hard. Delegate Buckel noted that when the statute establishing the task force passed, the aim was to generate new ideas from a range of stakeholders. Delegate Buckel commented that COVID-19 has limited the ability to bring in a number of key stakeholders for in-person meetings, including private economic consultants, business representatives, economic development representatives, and more. Delegate Buckel indicated he would like the task force to be extended so that more stakeholders can be included in the conversations. Senator Edwards agreed with this. Delegate Buckel noted he hoped in-person meetings could begin in late-Spring with a final report being delivered in time for the 2022 legislative session.

*b. Approval of prior meeting minutes*

The meeting minutes from the December 22 meeting were voted on and no task force members dissented.

II. Initial recommendations

Members of the task force reviewed a semi-final list of recommendations and made edits to these before voting on the full package of recommendations.

- TF-1:

- Several members noted that the matching requirement language should be expanded to include local entities (e.g., cities) as well as counties. Additionally, the draft language was expanded so that local entities could also present projects to the oversight board directly, not just each county. Discussion then centered on how to provide cities with representation on the oversight board. Scott Nicewarner suggested that one representative from the Maryland Municipal League (MML) sit on the board, expanding it to eleven members. Shelley McIntire agreed that MML representation would be good. Senator Edwards asked how this one representative would be selected. Al Delia expressed concerns with expanding the board and worried that if the board becomes too segmented board members may be more incentivized to represent their specific constituencies rather than the whole of Western Maryland. Scott Nicewarner noted that one MML representative would be sufficient and that the representative could be from any one of the three counties. Senator Edwards suggested that the oversight board makeup be revised so that instead of a representative from 'an economic development office' from each county, a representative from 'an economic development organization as appointed by the county's commissioners' be selected instead. Senator Edwards noted that the counties have different groups in charge of economic development. Delegate Buckel noted that the metrics outlined in the draft recommendation may need to be more specific. Delegate Buckel suggested that some of the goals should be set up ahead of time, as with existing economic development programs. Senator Edwards suggested that the \$20 million would be appropriated to the Maryland Department of Commerce and then the money would go to the board. When the board approves a project, the Department of Commerce could then provide signoff on projects and associated metrics. Secretary Schulz noted that the Maryland Department of Commerce has existing programs that could be utilized to fence off funding for Western Maryland as opposed to the development of a new program. Secretary Schulz noted that MEDAAF could be one such vehicle. Senator Edwards responded that his concern with using MEDAAF is that the goal is not to replace any funding that would be going to Western Maryland otherwise. Secretary Schulz stressed that the Department of Commerce is committed to doing everything in its power to bring economic vitality to all parts of the state. Secretary Schulz also noted that because many recommendations involved other state agencies, the Department of Commerce would be abstaining from any votes on recommendations so as not to vote on

recommendations that would impact another state agency. Delegate Buckel suggested that the language regarding metrics note that rather than metrics be 'approved by the oversight board' that metrics be 'delineated in the legislation and implemented by the oversight board' instead.

- TF-2:
  - Task force members were OK with the recommendation as drafted.
- TF-3:
  - Al Delia noted that the first priority with this recommendation is to extend the mandated funding and that the second priority is to make it easier for smaller institutions to match. Al Delia stated that the two should be done in tandem. Mary Clapsaddle noted she sent language on the match to Michael Siers that would make the threshold be based on the institution's budget: if an institution's budget is less than \$250 million, the match would be \$200,000 instead of \$500,000. This would impact a number of smaller institutions. Delegate Buckel stated that because this is an item that stimulates economic development statewide it may be best for the task force to support legislation that extends funding and to suggest that legislation be amended to include the budget caps mentioned by Mary Clapsaddle.
- TF-4:
  - Task force members were OK with the recommendation as drafted.
- TF-5:
  - Senator Edwards suggested that this recommendation be revised to include mention of Rocky Gap in Allegany County in addition to the parcel identified for Garrett County. Cort Meinelschmidt will look into if there is an appropriate example in Washington County to include. James McKittrick from the Maryland Department of Natural Resources noted that an RFP for a public-private partnership in Rocky Gap should be active.
- TF-6:
  - Task force members were OK with the recommendation as drafted.
- TF-7:
  - Jody Sprinkle indicated she did not believe the administration would be introducing a bill on the topic during the upcoming session. Delegate Buckel wondered if instead of a larger capital program for the state if this recommendation could be revised to cover a \$2 million incentive directed towards manufacturing projects located in Western Maryland. Jody Sprinkle, Senator Edwards, and Delegate Buckel will work on language to revise this recommendation accordingly.
- TF-8:
  - Task force members were OK with the recommendation as drafted, noting that no legislation would be needed.

- TF-9:
  - Cort Meinelschmidt noted that he had been trying to get ahold of NFIB and other representatives, but that a top priority would be holding harmless companies who had to lay off workers during the current crisis so that their unemployment insurance rates do not increase. Delegate Buckel noted that Governor Hogan had issued an executive order relating to this item. Nicole Christian indicated that the Governor had issued an executive order, but that the order expires at the end of the state of emergency. Currently, legislation is being drafted to extend the executive order beyond the state of emergency. Nicole Christian also drew attention to a tourism tax credit that is being proposed in upcoming legislation. Noting support from organizations across the state, Nicole Christian explained the broad outline of the Explore Maryland Tax Credit program. Cort Meinelschmidt suggested that the recommendation be revised to note the specific bill numbers once they have come out. Delegate Buckel agreed.
- TF-10:
  - Task force members were OK with the recommendation as drafted.
- TF-11:
  - Nicole Christian noted that the chamber has supported legislation on this topic for several years and that it will be resubmitted this session. Delegate Buckel indicated support but also noted he was unsure what the task force could accomplish specifically. Paul Frey asked if the recommendation should continue to be included or not among the task force's recommendations in that case. Delegate Buckel and Cort Meinelschmidt suggested that the recommendation note that if there is legislation proposed then the task force will support it.
- TF-12:
  - Senator Edwards noted that Senator Hershey may be submitting a bill on this matter. Delegate Buckel noted that he was concerned with the timing, given the shortened time to propose and prepare legislation during the upcoming legislative session. James McKittrick noted that at this time there was no House cross-file. Delegate Buckel asked to be connected with Senator Hershey on this item. Senator Edwards said he was fine with having the recommendation be edited to support Senator Hershey's bill if the bill still follows the suggestions present in TF-12.
- TF-13:
  - Task force members were OK with the recommendation as drafted.
- TF-14:
  - Task force members suggested that a new recommendation be officially drafted to extend the timeline of the task force through October 1, 2021.

After discussion on the items, task force members voted on the 14 recommendations as a single package. Votes by member are presented in the following table.

Member	Vote
Senator George Edwards	In Favor
Delegate Jason Buckel	In Favor
Jody Sprinkle	In Favor
Cort Meinelschmidt	In Favor
Shelley McIntire	In Favor
Al Delia	In Favor
Jake Shade	<i>Absent</i>
Stu Czapski	In Favor
Nicole Christian	In Favor
Paul Frey	In Favor
Andrew Sargent	Abstain

### III. Next Steps

Senator Edwards and Delegate Buckel noted that when legislation comes up for comment, the co-chairs will work with members to get comments and ensure they can participate. Senator Edwards also noted that they would like to get approval from the Governor and the Secretary of Commerce. Senator Edwards indicated that the task force should meet again shortly after the start of the next legislative session in order to review any outstanding items and coordinate if needed.

### IV. Public Comment

Jill Thompson suggested that the phrase 'tax credits' in TF-10 be replaced with 'economic incentives' to reflect that there are a number of policy options that could lead to enhanced workforce housing.

### V. Closing Remarks/Adjournment

The meeting was adjourned.